

SENATE BILL No. 53

DIGEST OF INTRODUCED BILL

Citations Affected: IC 25-1; IC 25-3.7.

Synopsis: Alarm system contractor licensing. Requires a person who operates a business that installs, repairs, or services an alarm system to be licensed. Establishes an alarm system board. Establishes licensure and registration requirements for the regulation of alarm system contractors and their employees. Requires employees of an alarm system contractor to be registered and have identification cards. Staggers the terms of the initial appointments to the board.

Effective: Upon passage; July 1, 1999.

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January 6, 1999, read first time and referred to Committee on Public Policy.



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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 53

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 25-1-2-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) As used in this section,
3 "license" includes all occupational and professional licenses,
4 registrations, permits, and certificates issued under the Indiana Code,
5 and "licensee" includes all occupational and professional licensees,
6 registrants, permittees, and certificate holders regulated under the
7 Indiana Code.
8 (b) This section applies to the following entities that regulate
9 occupations or professions under the Indiana Code:
10 (1) Indiana board of accountancy.
11 (2) Indiana grain buyers and warehouse licensing agency.
12 (3) Indiana auctioneer commission.
13 (4) Board of registration for architects.
14 (5) State board of barber examiners.
15 (6) State board of cosmetology examiners.
16 (7) Medical licensing board of Indiana.
17 (8) Secretary of state.



- (9) State board of dental examiners.
- (10) State board of funeral and cemetery service.
- (11) Worker's compensation board of Indiana.
- (12) Indiana state board of health facility administrators.
- (13) Committee of hearing aid dealer examiners.
- (14) Indiana state board of nursing.
- (15) Indiana optometry board.
- (16) Indiana board of pharmacy.
- (17) Indiana plumbing commission.
- (18) Board of podiatric medicine.
- (19) Private detectives licensing board.
- (20) State board of registration for professional engineers.
- (21) Board of environmental health specialists.
- (22) State psychology board.
- (23) Indiana real estate commission.
- (24) Speech-language pathology and audiology board.
- (25) Department of natural resources.
- (26) State boxing commission.
- (27) Board of chiropractic examiners.
- (28) Mining board.
- (29) Indiana board of veterinary medical examiners.
- (30) State department of health.
- (31) Indiana physical therapy committee.
- (32) Respiratory care committee.
- (33) Occupational therapy committee.
- (34) Social worker, marriage and family therapist, and mental health counselor board.
- (35) Real estate appraiser licensure and certification board.
- (36) State board of registration for land surveyors.
- (37) Physician assistant committee.
- (38) Indiana dietitians certification board.
- (39) Indiana hypnotist committee.
- (40) Alarm system board.**
- ~~(40)~~ **(41)** Any other occupational or professional agency created after June 30, 1981.

(c) Notwithstanding any other law, the entities included in subsection (b) shall send a notice of the upcoming expiration of a license to each licensee at least sixty (60) days prior to the expiration of the license. The notice must inform the licensee of the need to renew and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the entity, the licensee is not subject to a sanction for failure to renew if, once notice is received from the entity,



the license is renewed within forty-five (45) days of the receipt of the notice.

SECTION 2. IC 25-1-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) There is established the Indiana professional licensing agency. The licensing agency shall perform all administrative functions, duties, and responsibilities assigned by law or rule to the executive director, secretary, or other statutory administrator of the following:

- (1) Indiana board of accountancy (IC 25-2.1-2-1).
- (2) Board of registration for architects (IC 25-4-1-2).
- (3) Indiana auctioneer commission (IC 25-6.1-2-1).
- (4) State board of barber examiners (IC 25-7-5-1).
- (5) State boxing commission (IC 25-9-1).
- (6) State board of cosmetology examiners (IC 25-8-3-1).
- (7) State board of funeral and cemetery service (IC 25-15-9).
- (8) State board of registration for professional engineers (IC 25-31-1-3).
- (9) Indiana plumbing commission (IC 25-28.5-1-3).
- (10) Indiana real estate commission (IC 25-34.1).
- ~~(11) Until July 1, 1996, Indiana State board of television and radio service examiners (IC 25-36-1-4).~~
- ~~(12)~~ (11) Real estate appraiser licensure and certification board (IC 25-34.1-8-1).
- ~~(13)~~ (12) Private detectives licensing board (IC 25-30-1-5.1).
- ~~(14)~~ (13) State board of registration for land surveyors (IC 25-21.5-2-1).
- (14) Alarm system board (IC 25-3.7-2-1).**

(b) Nothing in this chapter may be construed to give the licensing agency policy making authority, which remains with each board.

SECTION 3. IC 25-1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter:

"Board" means the appropriate agency listed in the definition of regulated occupation in this section.

"Director" refers to the director of the division of consumer protection.

"Division" refers to the division of consumer protection, office of the attorney general.

"Licensee" means a person who is:

- (1) licensed, certified, or registered by a board listed in this section; and
- (2) the subject of a complaint filed with the division.

"Person" means an individual, a partnership, a limited liability



company, or a corporation.

"Regulated occupation" means an occupation in which a person is licensed, certified, or registered by one (1) of the following:

- (1) Indiana board of accountancy (IC 25-2.1-2-1).
- (2) Board of registration for architects (IC 25-4-1-2).
- (3) Indiana auctioneer commission (IC 25-6.1-2-1).
- (4) State board of barber examiners (IC 25-7-5-1).
- (5) State boxing commission (IC 25-9-1).
- (6) Board of chiropractic examiners (IC 25-10-1).
- (7) State board of cosmetology examiners (IC 25-8-3-1).
- (8) State board of dental examiners (IC 25-14-1).
- (9) State board of funeral and cemetery service (IC 25-15-9).
- (10) State board of registration for professional engineers (IC 25-31-1-3).
- (11) Indiana state board of health facility administrators (IC 25-19-1).
- (12) Medical licensing board of Indiana (IC 25-22.5-2).
- (13) Indiana state board of nursing (IC 25-23-1).
- (14) Indiana optometry board (IC 25-24).
- (15) Indiana board of pharmacy (IC 25-26).
- (16) Indiana plumbing commission (IC 25-28.5-1-3).
- (17) Board of podiatric medicine (IC 25-29-2-1).
- (18) Board of environmental health specialists (IC 25-32-1).
- (19) State psychology board (IC 25-33).
- (20) Speech-language pathology and audiology board (IC 25-35.6-2).
- (21) Indiana real estate commission (IC 25-34.1-2).
- (22) Indiana board of veterinary medical examiners (IC 15-5-1.1).
- (23) Department of natural resources for purposes of licensing water well drillers under IC 25-39-3.
- (24) Respiratory care committee (IC 25-34.5).
- (25) Private detectives licensing board (IC 25-30-1-5.1).
- (26) Occupational therapy committee (IC 25-23.5).
- (27) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).
- (28) Real estate appraiser licensure and certification board (IC 25-34.1-8).
- (29) State board of registration for land surveyors (IC 25-21.5-2-1).
- (30) Physician assistant committee (IC 25-27.5).
- (31) Indiana athletic trainers board (IC 25-5.1-2-1).
- (32) Indiana dietitians certification board (IC 25-14.5-2-1).



(33) Indiana hypnotist committee (IC 25-20.5-1-7).

(34) Indiana physical therapy committee (IC 25-27).

(35) Alarm system board (IC 25-3.7-2-1).

~~(35)~~ **(36)** Any other occupational or professional agency created after June 30, 1981.

SECTION 4. IC 25-1-8-1 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "board" means any of the following:

(1) Indiana board of accountancy (IC 25-2.1-2-1).

(2) Board of registration for architects (IC 25-4-1-2).

(3) Indiana auctioneer commission (IC 25-6.1-2-1).

(4) State board of barber examiners (IC 25-7-5-1).

(5) State boxing commission (IC 25-9-1).

(6) Board of chiropractic examiners (IC 25-10-1).

(7) State board of cosmetology examiners (IC 25-8-3-1).

(8) State board of dental examiners (IC 25-14-1).

(9) State board of funeral and cemetery service (IC 25-15).

(10) State board of registration for professional engineers (IC 25-31-1-3).

(11) Indiana state board of health facility administrators (IC 25-19-1).

(12) Medical licensing board of Indiana (IC 25-22.5-2).

(13) Mining board (IC 22-10-1.5-2).

(14) Indiana state board of nursing (IC 25-23-1).

(15) Indiana optometry board (IC 25-24).

(16) Indiana board of pharmacy (IC 25-26).

(17) Indiana plumbing commission (IC 25-28.5-1-3).

(18) Board of environmental health specialists (IC 25-32-1).

(19) State psychology board (IC 25-33).

(20) Speech-language pathology and audiology board (IC 25-35.6-2).

(21) Indiana real estate commission (IC 25-34.1-2-1).

(22) Indiana board of veterinary medical examiners (IC 15-5-1.1-3).

(23) Department of insurance (IC 27-1).

(24) State police department (IC 10-1-1-1), for purposes of certifying polygraph examiners under IC 25-30-2.

(25) Department of natural resources for purposes of licensing water well drillers under IC 25-39-3.

(26) Private detectives licensing board (IC 25-30-1-5.1).

(27) Occupational therapy committee (IC 25-23.5-2-1).

(28) Social worker, marriage and family therapist, and mental

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health counselor board (IC 25-23.6-2-1).

(29) Real estate appraiser licensure and certification board (IC 25-34.1-8).

(30) State board of registration for land surveyors (IC 25-21.5-2-1).

(31) Physician assistant committee (IC 25-27.5).

(32) Indiana athletic trainers board (IC 25-5.1-2-1).

(33) Board of podiatric medicine (IC 25-29-2-1).

(34) Indiana dietitians certification board (IC 25-14.5-2-1).

(35) Indiana physical therapy committee (IC 25-27).

(36) Alarm system board (IC 25-3.7-2-1).

~~(36)~~ (37) Any other occupational or professional agency created after June 30, 1981.

SECTION 5. IC 25-1-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "board" means any of the following:

(1) Indiana board of accountancy (IC 25-2.1-2-1).

(2) Board of registration for architects (IC 25-4-1-2).

(3) Indiana auctioneer commission (IC 25-6.1-2).

(4) State board of barber examiners (IC 25-7-5-1).

(5) State boxing commission (IC 25-9-1).

(6) State board of cosmetology examiners (IC 25-8-3-1).

(7) State board of registration of land surveyors (IC 25-21.5-2-1).

(8) State board of funeral and cemetery service (IC 25-15-9).

(9) State board of registration for professional engineers (IC 25-31-1-3).

(10) Indiana plumbing commission (IC 25-28.5-1-3).

(11) Indiana real estate commission (IC 25-34.1-2-1).

~~(12) Until July 1, 1996, Indiana State board of television and radio service examiners (IC 25-36-1-4).~~

~~(13)~~ (12) Real estate appraiser licensure certification board (IC 25-34.1-8).

~~(14)~~ (13) Private detectives licensing board (IC 25-30-1-5.1).

(14) Alarm system board (IC 25-3.7-2-1).

SECTION 6. IC 25-3.7 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

ARTICLE 3.7. ALARM SYSTEM INSTALLERS

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Alarm system contractor" means a person engaged in



a business that installs, repairs, or services an alarm system to protect a building or property of another person.

Sec. 3. "Board" refers to the alarm system board established by IC 25-3.7-2-1.

Sec. 4. "Licensee" means a person licensed under IC 25-3.7-3.

Sec. 5. "Licensing agency" refers to the Indiana professional licensing agency established by IC 25-1-6-3.

Sec. 6. "Person" means an individual, a partnership, a limited liability company, a corporation, or other business entity.

Sec. 7. "Registrant" means an individual registered under IC 25-3.7-4.

Chapter 2. Alarm System Board

Sec. 1. The alarm system board is established.

Sec. 2. (a) The board consists of five (5) members appointed by the governor.

(b) Three (3) members of the board must be alarm system contractors licensed under this article, each of whom must meet the following conditions:

(1) Have at least three (3) years experience installing alarm systems.

(2) Be a resident of Indiana.

(c) One (1) member of the board must be a local law enforcement official familiar with alarm systems.

(d) One (1) member of the board must be an individual who is not associated with the alarm system business other than as a consumer.

Sec. 3. Not more than three (3) members of the board may be affiliated with the same political party.

Sec. 4. The term of a board member is four (4) years.

Sec. 5. (a) The governor may remove a board member if the member has demonstrated incompetency or failure to perform the member's duties under this article.

(b) The governor shall fill a vacancy on the board by appointing a new member for the unexpired term.

Sec. 6. Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.



1 **Sec. 7.** Each odd-numbered year at the board's first meeting, the
 2 board shall elect a chairperson and a vice chairperson from among
 3 its members by a majority vote of all members of the board.

4 **Sec. 8. (a)** The board shall enforce and administer this article.

5 (b) The board shall set licensing and registration fees under
 6 IC 25-1-8.

7 (c) The board may adopt rules under IC 4-22-2 that are
 8 reasonable and necessary to implement this chapter.

9 **Sec. 9.** The licensing agency shall assist the board by performing
 10 administrative functions under this chapter.

11 **Chapter 3. Licensing Alarm System Contractors**

12 **Sec. 1. (a)** An application for a license as an alarm system
 13 contractor must be submitted to the licensing agency on a form
 14 prescribed by the board, and the application must be accompanied
 15 by the license fee.

16 (b) The application must be verified by the applicant and
 17 include the following:

- 18 (1) The full name and business address of the applicant.
- 19 (2) The name under which the applicant intends to conduct
 20 business.
- 21 (3) If the applicant is a person other than an individual, the
 22 full name and residential address of each individual who is an
 23 officer or owner or who has control over the operation of the
 24 business.
- 25 (4) Other information required by the board.

26 **Sec. 2. (a)** The board may grant an alarm system contractor
 27 license to an applicant who meets the following requirements:

- 28 (1) If the applicant is an individual, the applicant must:
 - 29 (A) be at least twenty-one (21) years of age;
 - 30 (B) be a resident of Indiana; and
 - 31 (C) have at least one (1) year of experience in alarm system
 32 installation, repair, and service or any other experience
 33 acceptable to the board.
- 34 (2) If the applicant is a business entity, at least one (1) of the
 35 following must meet the requirements of subdivision (1):
 - 36 (A) an officer of the corporation;
 - 37 (B) a manager of the limited liability company; or
 - 38 (C) a partner of the partnership.

39 (b) The board may deny an applicant a license unless the
 40 applicant makes a showing satisfactory to the board that the
 41 applicant or the individual identified by subsection (a)(2) has not:

- 42 (1) committed an act that, if committed by a licensee, would



be grounds for the suspension or revocation of a license under this chapter;

(2) been convicted of:

- (A) robbery (IC 35-42-5-1);
- (B) burglary (IC 35-43-2-1);
- (C) theft (IC 35-43-4-2);
- (D) receiving stolen property (IC 35-43-4-2);
- (E) auto theft (IC 35-43-4-2.5);
- (F) murder (IC 35-42-1-1);
- (G) rape (IC 35-42-4-1); or
- (H) kidnapping (IC 35-42-3-2); or

(3) been refused a license under this chapter or had a license revoked.

(c) The applicant must submit a limited criminal history check under IC 5-2-5-5.1 on the applicant that was completed not more than forty-five (45) days before the date of the application.

Sec. 3. (a) Upon the death of a licensee, the alarm system business with which the decedent was connected may be carried on for a period of ninety (90) days by the following:

- (1) For an individual licensee, the surviving spouse, or if there is no surviving spouse, the executor or administrator of the estate of the decedent.
- (2) For a partner, the surviving partners.
- (3) For an officer of a corporation the other officers of the corporation.

(b) Upon written application, the board may grant an extension under this section.

Sec. 4. (a) The board shall prescribe the form of an alarm system contractor license.

(b) The license must be posted in a conspicuous place in the principal place of business of the licensee.

(c) A licensee shall, not more than thirty (30) days after a change, notify the board of a change in the following:

- (1) The licensee's address.
- (2) The name under which the licensee conducts business.
- (3) The licensee's officers, directors, members, or partners.

Sec. 5. (a) A license issued under this chapter expires four (4) years after the date of issuance.

(b) A licensee desiring a renewal license must do the following:

- (1) File with the licensing agency an application for renewal on a form prescribed by the board at least thirty (30) days before the expiration of the licensee's license.



(2) Meet the license renewal requirements set by the board.

(3) Pay the renewal fee.

(c) A license may be reinstated within ninety (90) days after the expiration of the license if the applicant does the following:

(1) Files with the licensing agency an application for renewal.

(2) Meets the license requirements set by the board.

(3) Pays the renewal and delinquent fees.

Chapter 4. Registration of Employees

Sec. 1. (a) To register under this chapter an individual employed by a licensee must submit to the licensing agency the individual's full name, age, and residence address and attest to the following information on a registration application form prescribed by the board:

(1) That the individual is at least eighteen (18) years of age.

(2) That the individual has graduated from high school or has received an equivalency certificate.

(3) That the individual is a resident of Indiana.

(4) That within the previous ten (10) years the individual has not been convicted of the following:

(A) Robbery (IC 35-42-5-1).

(B) Burglary (IC 35-43-2-1).

(C) Theft (IC 35-43-4-2).

(D) Receiving stolen property (IC 35-43-4-2).

(E) Auto theft (IC 35-43-4-2.5).

(F) Murder (IC 35-42-1-1).

(G) Rape (IC 35-42-4-1).

(H) Kidnapping (IC 35-42-3-2).

(b) The applicant must submit to the licensing agency a limited criminal history check under IC 5-2-5-5.1 on the individual that was completed not more than forty-five (45) days before the date of the registration application.

(c) The applicant must pay the registration fee set by the board.

Sec. 2. (a) A licensee shall issue to each employee registered under section 1 of this chapter a pocket identification card that contains the following information:

(1) A recent picture of the employee.

(2) The employee's name.

(3) The name and address of the licensee.

(4) The license number of the licensee.

(b) When an employee's registration is revoked or an employee is no longer employed by a licensee, the registered employee must deliver the pocket identification card to the licensee not more than



1 five (5) days after the revocation or the termination of
2 employment.

3 **Chapter 5. Violations**

4 **Sec. 1.** A person may not install, repair, or service an alarm
5 system to protect a building or property of another person for
6 compensation unless the person is:

- 7 (1) licensed under this chapter; or
- 8 (2) a registered employee of a licensee.

9 **Sec. 2.** A licensee may not continue to employ an employee who:

- 10 (1) has been denied registration by the board; or
- 11 (2) has had the employee's registration revoked.

12 **Sec. 3.** A person who violates this article commits a Class A
13 infraction.

14 **Sec. 4. (a)** Disciplinary proceedings under this chapter must be
15 conducted in accordance with IC 4-21.5, and the board has all
16 powers granted under IC 4-21.5.

17 **(b)** The board may impose sanctions against a licensee or a
18 registrant under IC 25-1-11 if the board determines that the
19 licensee or registrant has done any of the following:

- 20 (1) Not complied with this article.
- 21 (2) Committed an act that is grounds for a denial of a license
22 or registration.
- 23 (3) Violated a standard of practice under IC 25-1-11-5.

24 **Sec. 5. (a)** If the board determines that a person who is not
25 licensed or registered is engaged in activities that require a license
26 or registration, the board may send a notice of hearing requiring
27 the person to show cause why the challenged activities are not a
28 violation of this article. The notice must be in writing and must
29 include the following information:

- 30 (1) The date, time, and place of the hearing.
- 31 (2) The specific law or rule that is allegedly being violated and
32 the person's specific conduct in question.
- 33 (3) That the affected person or the person's representative
34 may present evidence concerning the alleged violation.

35 **(b)** A hearing conducted under this section must comply with
36 the requirements of IC 4-21.5.

37 **(c)** If the board after a hearing determines that the activities the
38 person engaged in are subject to licensing or registration under
39 this article, the board may issue a cease and desist order that
40 describes the person and activities that are the subject of the order.

41 **(d)** A cease and desist order issued under this section is
42 enforceable in the circuit courts of Indiana.



1 SECTION 7. [EFFECTIVE UPON PASSAGE] (a) Before July 1,
2 1999, the governor shall make the appointments required by this
3 act. Notwithstanding IC 25-3.7-2-4, as added by this act, the initial
4 terms of the five (5) members of the alarm system board are as
5 follows:

6 (1) One (1) alarm system contractor for a term of one (1) year.

7 (2) One (1) alarm system contractor for a term of two (2)
8 years.

9 (3) One (1) consumer for a term of three (3) years.

10 (4) One (1) alarm system contractor for a term of four (4)
11 years.

12 (5) One (1) local law enforcement official for a term of four
13 (4) years.

14 (b) Notwithstanding IC 25-3.7-2-2(b), as added by this act, the
15 three (3) members of the alarm system board who are alarm
16 system contractors do not have to be licensed under IC 25-3.7-3, as
17 added by this act, until July 1, 2000.

18 (c) This SECTION expires July 1, 2003.

19 SECTION 8. [EFFECTIVE JULY 1, 1999] (a) Notwithstanding
20 IC 25-3.7, as added by this act, a person may install, repair, or
21 service an alarm system until July 1, 2000, without being licensed
22 or registered under IC 25-3.7, as added by this act.

23 (b) This SECTION expires July 1, 2000.

24 SECTION 9. An emergency is declared for this act.

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